

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP

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March 26, 2001

**BY FEDERAL EXPRESS**

Mr. David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robinson Parkway  
Nashville, TN 37243-0505

01-00267

**Re: Application for Authority to Transfer Ownership and Control of Comm South Companies, Inc. from TracFone Wireless, Inc to its Affiliate, AM Comm Solutions, LLC and from that Company to ARBROS Communications, Inc. and Notification, as Necessary, of a Related Financing Transaction.**


Dear Mr. Waddell:

Enclosed herewith for filing with the Tennessee Regulatory Authority please find an original and thirteen (13) copies of the application referenced above. Additionally, please find a check in the amount of \$25.00 to cover the necessary filing fee.

In addition, we enclose a duplicate of this filing and a self-addressed, stamped envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided.

Please contact the undersigned with any question concerning this matter.

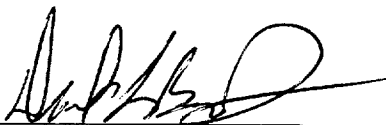
Very truly yours,

  
John A. Wenzel

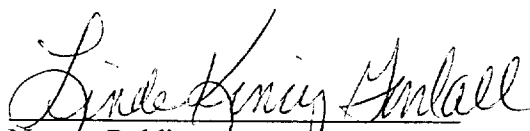
Enclosures

## VERIFICATION

I, Dan L. Barth am authorized to represent Comm South Companies, Inc. and its affiliates, and to make this verification on their behalf. The statements in the foregoing document relating to Comm South Companies, Inc. and its affiliates, except as otherwise specifically attributed, are true of my own knowledge, except as to matters that are stated herein on information on belief, and to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.

  
name Daniel L. Barth  
title Interim President  
address 2909 N. Buckner Blvd.  
Suite 800  
Dallas, Texas 75228

Subscribed and sworn to before me this 7th day of  
February, 2001.

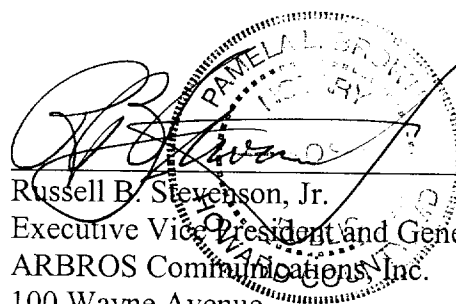
  
Notary Public



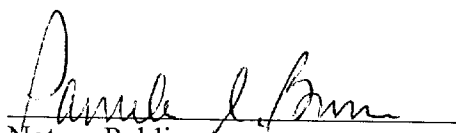
My Commission expires: 8-27-2004

## VERIFICATION

I, Russell B. Stevenson, Jr., am authorized to represent ARBROS Communications, Inc. and its affiliates, and to make this verification on their behalf. The statements in the foregoing document relating to ARBROS Communications, Inc. and its affiliates, except as otherwise specifically attributed, are true of my own knowledge, except as to matters that are stated herein on information on belief, and to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.

  
Russell B. Stevenson, Jr.  
Executive Vice President and General Counsel  
ARBROS Communications, Inc.  
100 Wayne Avenue  
Silver Spring, MD 20910

Subscribed and sworn to before me this 15th day of  
January, 2001.

  
Notary Public

My Commission expires:                       
**PAMELA L. BROWN**  
Notary Public - State of Maryland  
My Commission Expires June 12, 2004

**Before the  
STATE OF TENNESSEE  
REGULATORY AUTHORITY**

Joint Application for Authority to Transfer )  
Ownership and Control of Comm South )  
Companies, Inc. from TracFone Wireless, )  
Inc. to its Affiliate, AM Comm Solutions, )  
LLC and from that Company to ARBROS )  
Communications, Inc. and Notification, as )  
Necessary, of a Related Financing Transaction )

Docket No. \_\_\_\_\_

**JOINT APPLICATION**

Comm South Companies, Inc. d/b/a CommSouth in Tennessee (“Comm South”), and its parent entities identified below, together with ARBROS Communications, Inc. (“ARBROS”) and its indirect subsidiary ARBROS Communications Licensing Company S.E., LLC (“ARBROS Licensing”) (collectively the “Applicants”), by their attorneys, hereby respectfully request authority from the Tennessee Regulatory Authority (“TRA”), pursuant to T.C.A. § 65-4-112, (1) to transfer majority ownership and control of Comm South from TracFone Wireless, Inc. (“TracFone”)<sup>1</sup> to TracFone’s affiliate, AM Comm Solutions, LLC (“AM Comm”), which will hold approximately 90.1% of the stock of Comm South only for an instant; and (2) transfer of AM Comm’s stock in Comm South and control of Comm South to an unaffiliated company, ARBROS. Additionally, pursuant to Tennessee Attorney General Opinion No. 99-119, Comm South and ARBROS Licensing hereby respectfully notify the TRA of their intent to engage in a related financing transaction, all described more fully below.

Pursuant to a Stock Exchange Agreement (“Agreement”) executed by certain of the Applicants, upon consummation of the overall transaction, Comm South will become a wholly

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<sup>1</sup> Formerly known as Topp Telecom, Inc., which changed its name to TracFone Wireless, Inc. on October 31, 2000.

owned subsidiary of ARBROS, and AM Comm and its parent Sercotel, S.A. de C.V. (“Sercotel”), or Sercotel’s affiliated designee (together “AM Comm Parties”), initially will hold approximately a 24.9% interest in ARBROS. In the event that AM Comm exercises its warrants to acquire additional ARBROS shares, as described below, the AM Comm Parties will hold a maximum interest of approximately 45% in ARBROS. The Applicants do not seek to transfer any operating authority. Both Comm South and ARBROS Licensing will continue to provide intrastate communications service in Tennessee under their existing authorizations and tariffs. The contemplated transaction will therefore be transparent to customers in Tennessee.

In support of this Application, the Applicants provide the following information:

#### **I. The Companies.**

Comm South is authorized to provide telecommunications services in many states, including Tennessee. Prior to the instant transaction, Comm South, a Texas corporation, was 90.1% owned by TracFone, a Florida corporation and leading provider of resold prepaid wireless services, and 9.9% owned by AM Comm, a Delaware limited liability company. TracFone is 97.3% owned by Sercotel, a Mexican corporation, and AM Comm is a wholly owned subsidiary of Sercotel. Sercotel is a wholly owned subsidiary of América Móvil, S.A. de C.V. (“AM”), a Mexican corporation. *Please see the Organizational Chart, Exhibit 1, Sheet 1A, appended hereto.*

Comm South is headquartered at 2909 N. Buckner Boulevard, Suite 800, Dallas, Texas 75228. Comm South is one of the nation’s largest resellers of prepaid local telephone service. Together with its operating subsidiaries, Comm South is authorized to provide local telecommunications services virtually nationwide, primarily on a resale basis. In Tennessee,

Comm South received its authority to provide operator services and/or resell telecommunications services on August 20, 1997 in Case No. 97-1327.

ARBROS Licensing, a Delaware limited liability company, is a wholly owned subsidiary of ARBROS Communications Central, LLC, a Delaware limited liability company that, in turn, is a wholly owned subsidiary of ARBROS, a privately held Delaware corporation. Prior to the instant transaction, ARBROS was 99.9% owned by Linsang Partners, LLC (“Linsang”), a Delaware limited liability company. *Please see the Organizational Chart, Exhibit 1, Sheet 1B,* appended hereto. ARBROS is headquartered at 1100 Wayne Avenue, 8<sup>th</sup> Floor, Silver Spring, Maryland 20910. ARBROS, through its subsidiaries, is providing and preparing to provide voice, data and enhanced services as an integrated communications provider to small and medium-sized businesses primarily in the eastern United States. Specifically, ARBROS is building a network that consists of Class 4/5 central office switches and associated transmission facilities interconnected to the public switched network. Through its operating subsidiaries, ARBROS will offer its customers basic local exchange services, long distance services, CENTREX services, PBX trunks, ISDN, Internet, and data communications services as well as information services, operator services and emergency services.

ARBROS owns several regional LLCs which, in turn, own multiple licensing entities that are authorized to provide telecommunications services in the various states. In Tennessee, ARBROS Licensing received its authority to provide competing telecommunications services on August 7, 2000 in Docket No. 00-00274. ARBROS Licensing and the other licensing subsidiaries are authorized to provide telecommunications service in the following states: Alabama, Connecticut, Delaware, D.C., Florida, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Mississippi, Missouri, Montana, New Hampshire, New Jersey, New York, North

Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont and Virginia. Applications are pending in Arizona, Arkansas, California, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, Nevada, New Mexico, Ohio, Oklahoma, Oregon, Washington, West Virginia and Wisconsin. ARBROS companies have commenced service in D.C., Pennsylvania, and Virginia.

## **II. Designated Contacts.**

The designated contacts for questions concerning this Application are:

For Comm South:

Glenn Richards, Esq.

Susan Hafeli, Esq.  
SHAW PITTMAN  
2300 N Street, NW  
Washington, DC 20037  
Tel. (202) 663-8000  
Fax (202) 663-8007

For ARBROS:

John Wenzel, Esq.  
Melissa Conway, Esq.  
KELLEY DRYE & WARREN LLP  
1200 19<sup>th</sup> Street, NW, Suite 500  
Washington, DC 20036  
Tel. (202) 955-9778  
Fax (202) 955-9792

Copies of any correspondence also should be sent to the following designated representatives of the Applicants:

For Comm South:

Rick Brown  
Vice President, Carrier Relations and  
and Regulatory Affairs  
COMM SOUTH COMPANIES, INC.  
2909 N. Buckner Blvd. Suite 800  
Dallas, Texas 75228  
Tel. (972) 690-9955  
Fax (972) 690-9959

For ARBROS:

Robert F.X. Condon  
Vice President of Regulatory  
and External Affairs  
ARBROS COMMUNICATIONS, INC.  
1100 Wayne Ave. 8<sup>th</sup> Fl.  
Silver Spring, Maryland 20910  
Tel. (301) 960-0544  
Fax (301) 650-2465

### **III. Description of the Transaction.**

#### **A. The Transfer of Control**

The essence of this transaction is ARBROS's acquisition of all of the stock of Comm South, with the end result that Comm South and its subsidiaries will join the existing subsidiaries of ARBROS in providing telecommunications service to the public. Because the services of Comm South and its subsidiaries are very different from those currently provided by ARBROS's subsidiaries, ARBROS presently intends to maintain Comm South as a separate entity. Therefore, the transaction will be transparent to customers.

As provided in the Agreement, the acquisition of Comm South will be completed in a multi-step process whereby all of Comm South's outstanding stock will be exchanged for stock and warrants in ARBROS. Ultimately, Comm South will be a wholly owned subsidiary of ARBROS. As a preliminary step, the Agreement provides that within five days of its execution, ARBROS is to acquire the 9.9% of Comm South's stock previously owned by AM Comm in exchange for 2,654,155 shares of ARBROS stock (approximately 4.8% of ARBROS's outstanding stock.)<sup>2</sup> This first step of the transaction does not involve any transfer of control of

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<sup>2</sup> ARBROS has only common stock issued and outstanding.

Comm South, ARBROS Licensing or their parents and, therefore, does not require regulatory approval.

The second step will occur at the closing of the overall transaction when, for business reasons, the current owners of Comm South will further restructure the ownership of Comm South by having AM Comm acquire from TracFone the 90.1% of the Comm South shares TracFone owns. The parent companies, Sercotel and AM, will remain the same. Upon acquiring the shares from TracFone, AM Comm **immediately** will transfer them to ARBROS, as discussed below. *Please see Exhibit 1, Sheet 2*, appended hereto. Because Comm South will never operate under AM Comm's control, it would be administratively inefficient to consider AM Comm's qualifications to replace TracFone as the owner of Comm South.<sup>3</sup> To the extent this instantaneous, intermediate *pro forma* restructuring of the ownership of Comm South requires the TRA's approval, such approval is hereby requested.

In the third step, to complete the process of Comm South becoming a wholly owned subsidiary of ARBROS, ARBROS will acquire the remaining 90.1% of Comm South's stock held by AM Comm in exchange for issuing AM Comm 5,718,952 shares of ARBROS stock and ten year warrants to purchase another 31,963,232 shares at \$0.001 per share. *Please see Exhibit 1, Sheets 3 and 4*, appended hereto. This step of the process also will occur at the closing of the overall transaction subsequent to the satisfaction or waiver of certain conditions to the closing contained in the Agreement, including receipt of certain regulatory approvals.

As the final step, this transaction also involves additional financing for ARBROS. Sercotel has made an unsecured loan to ARBROS, which will be converted at the closing of the

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<sup>3</sup> As Comm South has its own management, and TracFone and AM Comm are affiliates under the common control of Sercotel, there would be no meaningful change in any event.

acquisition of Comm South into 13,404,826 shares of ARBROS common stock (15.3%).

Linsang also has made an unsecured interest-free loan to ARBROS and that loan, and an earlier loan, will be converted into 13,404,826 shares of ARBROS common stock at the closing of the acquisition of Comm South.<sup>4</sup> Because these unsecured loans have been made to the parent company, ARBROS, rather than to the utility entity, no approval of their terms is required by the TRA. Finally, ARBROS has made an unsecured short term loan to Comm South. This loan is not convertible into stock, but amounts due by Comm South under the loan may be offset against the obligations of ARBROS to Sercotel under the Sercotel loan described above.

By virtue of this share exchange and the additional ARBROS shares issued in connection with the financing transaction described above, the AM Comm Parties will initially own approximately 24.9% of the ARBROS common stock outstanding after completion of the overall transaction. In the event that AM Comm exercises some or all of its warrants, as described above, the AM Comm Parties may hold up to approximately a 45% interest in ARBROS.<sup>5</sup>

#### B. The Secured Loan Transaction

In addition to the foregoing loans, as part of this transaction ARBROS is to obtain additional financing, which shall have been arranged by AM and, if required, guaranteed by AM, on terms acceptable to ARBROS. Because all or a portion of any loan to ARBROS from third parties may be secured by the assets and/or guarantees of ARBROS's subsidiaries, including

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<sup>4</sup> *Exhibit 2* is a chart summarizing the ownership of ARBROS after the consummation of the transaction described herein.

<sup>5</sup> Linsang's majority control of ARBROS will continue after this transaction as it will hold approximately 75% of ARBROS's shares after the closing and approximately 55% if all the warrants are exercised. These percentages include shares and warrants issued in connection with the acquisition of Comm South and the financing transaction described below. To the extent that additional approval by the TRA is required for AM Comm to exercise its warrants and increase the AM Comm Parties' interest in ARBROS to approximately 45%, such approval is hereby requested.

Comm South and ARBROS Licensing, notification for this aspect of the transaction may be required in some states, including Tennessee.<sup>6</sup>

Lenders are expected to include one or more banks or other financial institutions and/or parties affiliated with AM, and any such loan may be secured by various assets of ARBROS and its subsidiaries and/or their guarantees. In addition, ARBROS may obtain other financing independent of AM to finance its post-acquisition operations. The terms of both are expected to be similar, but will not be finalized until closer to the time of borrowing which will occur at or after the closing of the Comm South acquisition. The basic financing terms are expected to be similar to the following:

Amount: Up to \$500 million (in the aggregate).

Purpose and use of proceeds: For the expansion and operation of the company.

Term: In excess of three (3) years.

Interest rate: Prime or LIBOR rate plus a margin.

Security: A guarantee and/or pledge of assets by ARBROS Licensing and Comm South.

The funds from this financing, whether from loans or Notes, are not designated for use in any particular state, but will provide funds for the expansion and operation of the entire combined company throughout the United States. Because Comm South and ARBROS Licensing are foreign competing telecommunications service providers and are part of a company with multistate operations, pursuant to Scenario 5(a) of the Tennessee Attorney General Opinion No. 99-119, no approval of the TRA is required. The financing would serve the public interest by enhancing the combined company's ability to compete in the

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<sup>6</sup> Alternatively, ARBROS may issue Notes for all or part of the required amounts. Because the Notes would be issued by ARBROS, which is not a utility, and would not be secured by utility assets or guarantees, no regulatory approval would be required.

telecommunications marketplace and to provide new and improved services to existing and new customers.<sup>7</sup>

#### **IV. Qualifications of ARBROS Communications, Inc.**

ARBROS is financially, managerially and technically qualified to assume ultimate control of Comm South. After the consummation of the transaction described herein, Comm South and ARBROS Licensing will continue to operate under their same names, tariffs and operating authorities. Thus, the transfer of control will be transparent to customers and will not have any adverse impact on them. The only change is in ownership. The TRA previously found that ARBROS Licensing is qualified to provide telecommunications services when it granted ARBROS Licensing a certificate on August 7, 2000. Thus, ARBROS's qualifications to own a Tennessee utility are a matter of record before the TRA.

ARBROS is financially qualified to assume control of Comm South. Although it is a relatively new enterprise, ARBROS has the necessary financial resources to provide facilities-based and resold local exchange and interexchange telecommunications services and to finance its operations in order to maintain the provision of services. ARBROS has been able to raise privately the funding necessary for the construction and operation of its telecommunications network.<sup>8</sup> Also, as mentioned above, ARBROS has received substantial additional capital and

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<sup>7</sup> Because Comm South and ARBROS Licensing are non-dominant carriers, they are not subject to rate of return regulation and their specific capital structure should not be a matter of concern to the TRA. In addition, because of the highly competitive environment in which the Companies operate, the rates charged customers are subject to market discipline and the services offered are duplicated by other carriers. As a result, the source of funds and capital structure of ARBROS, and the provision of a guaranty or security interest by its subsidiaries, would have little effect on customers in Tennessee or elsewhere.

<sup>8</sup> Should the TRA require further financial documentation, ARBROS will provide its audited financial statements upon request. As a privately held company, ARBROS's financial statements are confidential, and thus, would be submitted under seal.

will receive a substantial loan to fund the expansion and continued operation of its utility subsidiaries, including those being acquired in the Comm South transaction.

ARBROS is led by a highly qualified team of management personnel, all of whom have extensive backgrounds in telecommunications. Brief biographies of the key management personnel are appended hereto as *Exhibit 3*. The management team has decades of experience in all areas of the telecommunications industry, including financial management, engineering, sales, strategic planning, regulatory and operations. The team is drawn from such companies as Verizon, AT&T, US One Communications, Ameritech, Fujitsu and TCG. While ARBROS's management team is certainly qualified to operate Comm South, it is contemplated that many in Comm South's current management team will continue to operate that company's business under the overall direction of ARBROS's senior executives. The contacts for customer and TRA inquiries will remain the same for both ARBROS and Comm South after the transfer of control:

Robert F.X. Condon  
Vice President of Regulatory and External Affairs  
ARBROS COMMUNICATIONS, INC.  
(301) 960-0554

and

Rick Brown  
Vice President, Carrier Relations and Regulatory Affairs  
COMM SOUTH COMPANIES, INC.  
(972) 690-9955

## **V. Public Interest Analysis.**

Approving the transfer of control of Comm South from TracFone to AM Comm, and from AM Comm to ARBROS is in the public interest. The addition of Comm South to the ARBROS family of companies will enhance both Comm South's and ARBROS Licensing's ability to compete in the market for telecommunications services in Tennessee and elsewhere. The Applicants will benefit from increased economies of scale that will permit them to operate

more efficiently and thus to compete more effectively. Moreover, through the financing arrangements discussed herein, Comm South and ARBROS Licensing both will have access to the greater financial resources needed to introduce new products and services and to respond to the competitive telecommunications environment in Tennessee and across the nation. The ownership changes<sup>9</sup> and the financing transaction described herein are not expected to directly affect in any way ARBROS Licensing's or Comm South's rates or services. Over time, consumers in Tennessee will benefit from a greater number of product and service options as well as more efficient prices resulting from the enhanced competitive ability of the combined company.

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<sup>9</sup> Comm South's former owners, of course, will continue to hold a substantial stake in Comm South through their ownership interest in ARBROS.

WHEREFORE, Comm South Companies, Inc. d/b/a CommSouth in Tennessee, and its parent entities identified above, together with ARBROS Communications, Inc. and ARBROS Communications Licensing Company S.E., LLC respectfully request that the TRA (1) authorize, to the extent necessary, the *pro forma* transfer of control of Comm South from TracFone to AM Comm; (2) authorize the transfer of control of Comm South from AM Comm to ARBROS; and (3) authorize such other and further relief as may be necessary to carry out the transaction described herein.

Respectfully submitted,

COMM SOUTH COMPANIES, INC. D/B/A  
COMMSOUTH IN TENNESSEE

By: Glenn Richards  
Glenn Richards, Esq.  
Susan Hafeli, Esq.  
SHAW PITTMAN  
2300 N Street, N.W.  
Washington, D.C. 20037

Its Attorneys

ARBROS COMMUNICATIONS  
LICENSING COMPANY S.E., LLC  
ARBROS COMMUNICATIONS, INC.

By: John A. Wenzel  
James Freeman, Esq.  
Melissa Conway, Esq.  
John Wenzel, Esq.\*  
KELLEY DRYE & WARREN LLP  
1200 19<sup>th</sup> Street, N.W.  
Suite 500  
Washington, D. C. 20036

Its Attorneys

Dated: March 21, 2001

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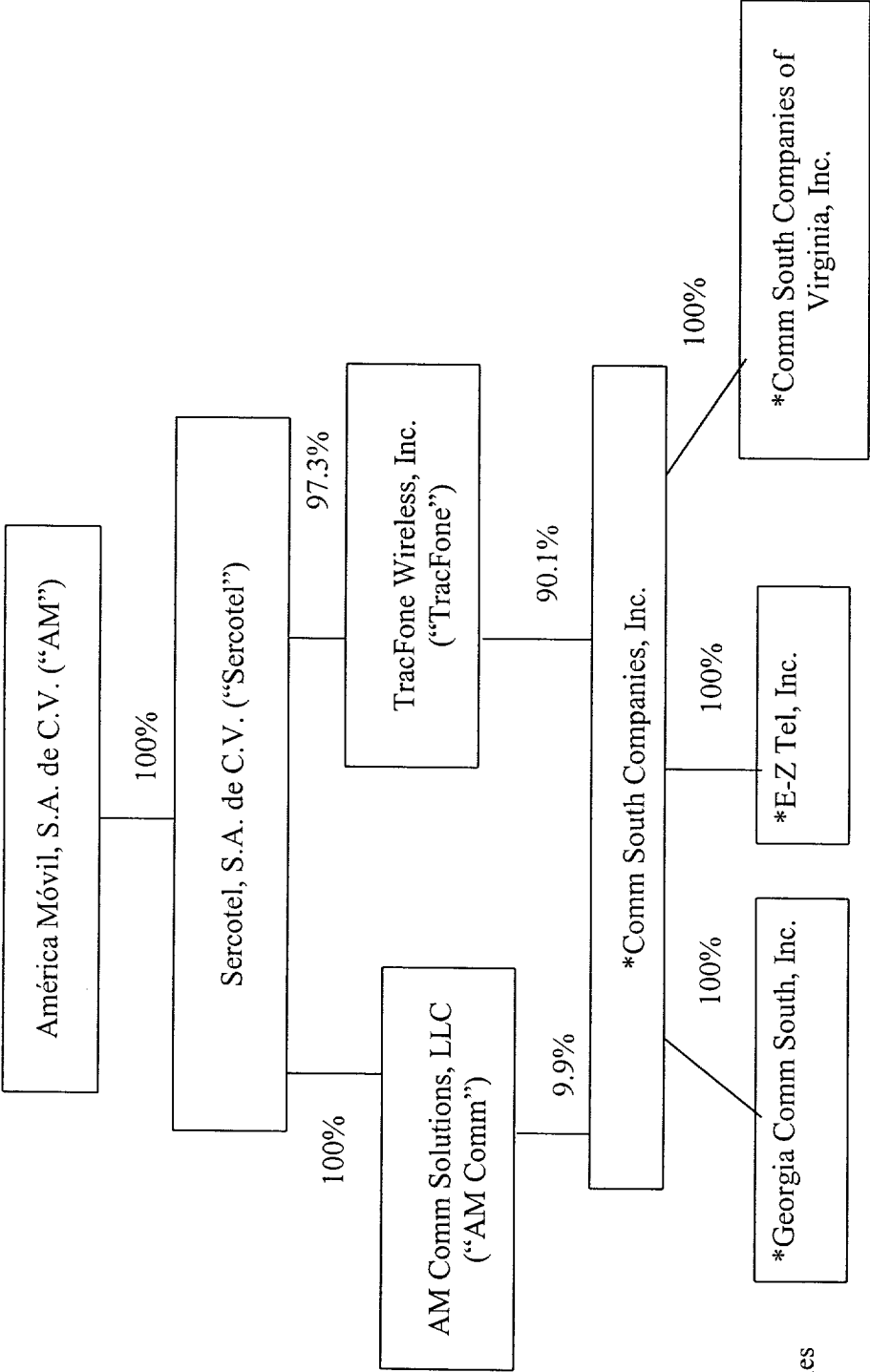
\* Admitted in Maryland only.

# **EXHIBIT 1**

## **CORPORATE ORGANIZATIONAL CHARTS**

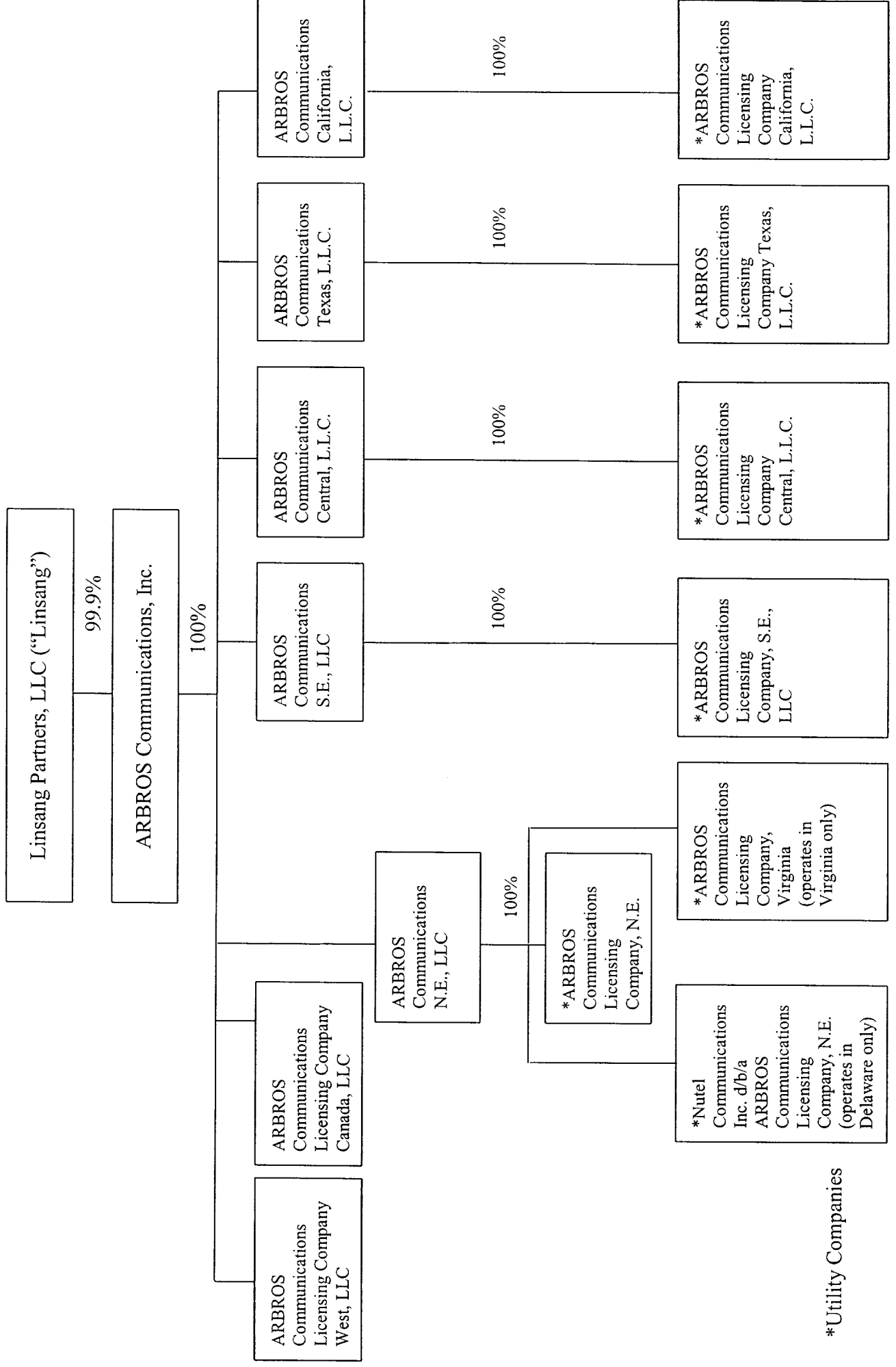
- SHEET 1A - Pre-transaction corporate structure of Comm South**
- SHEET 1B - Pre-transaction corporate structure of ARBROS**
- SHEET 2 - *Pro Forma* Restructuring of Comm South**
- SHEET 3 - ARBROS Acquisition of Comm South**
- SHEET 4 - Post-transaction corporate structure**

**COMM SOUTH COMPANIES, INC.**  
**(PRE-TRANSACTION)**

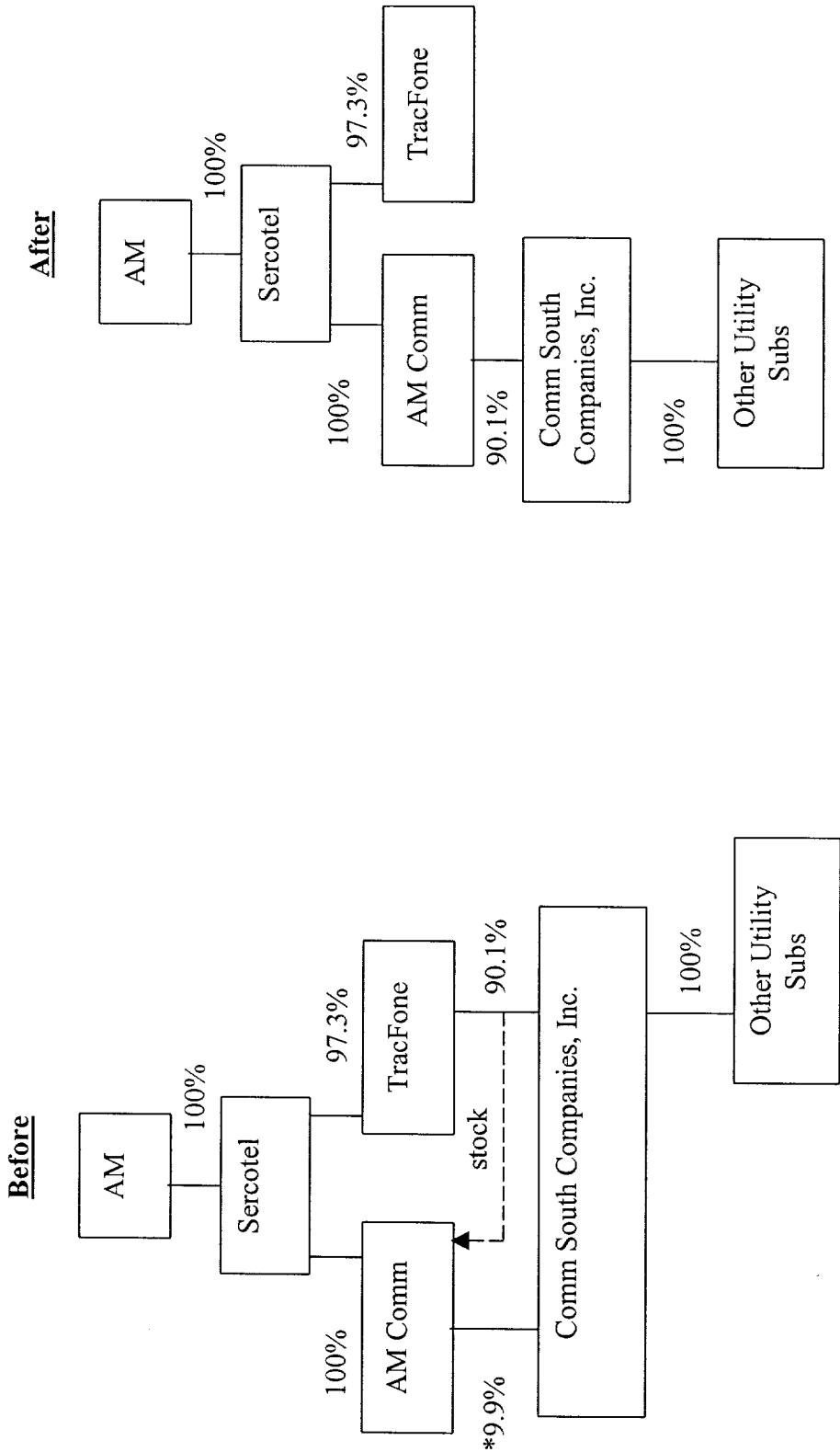


\* Utility Companies

**ARBROS COMMUNICATIONS, INC.  
(PRE-TRANSACTION)**

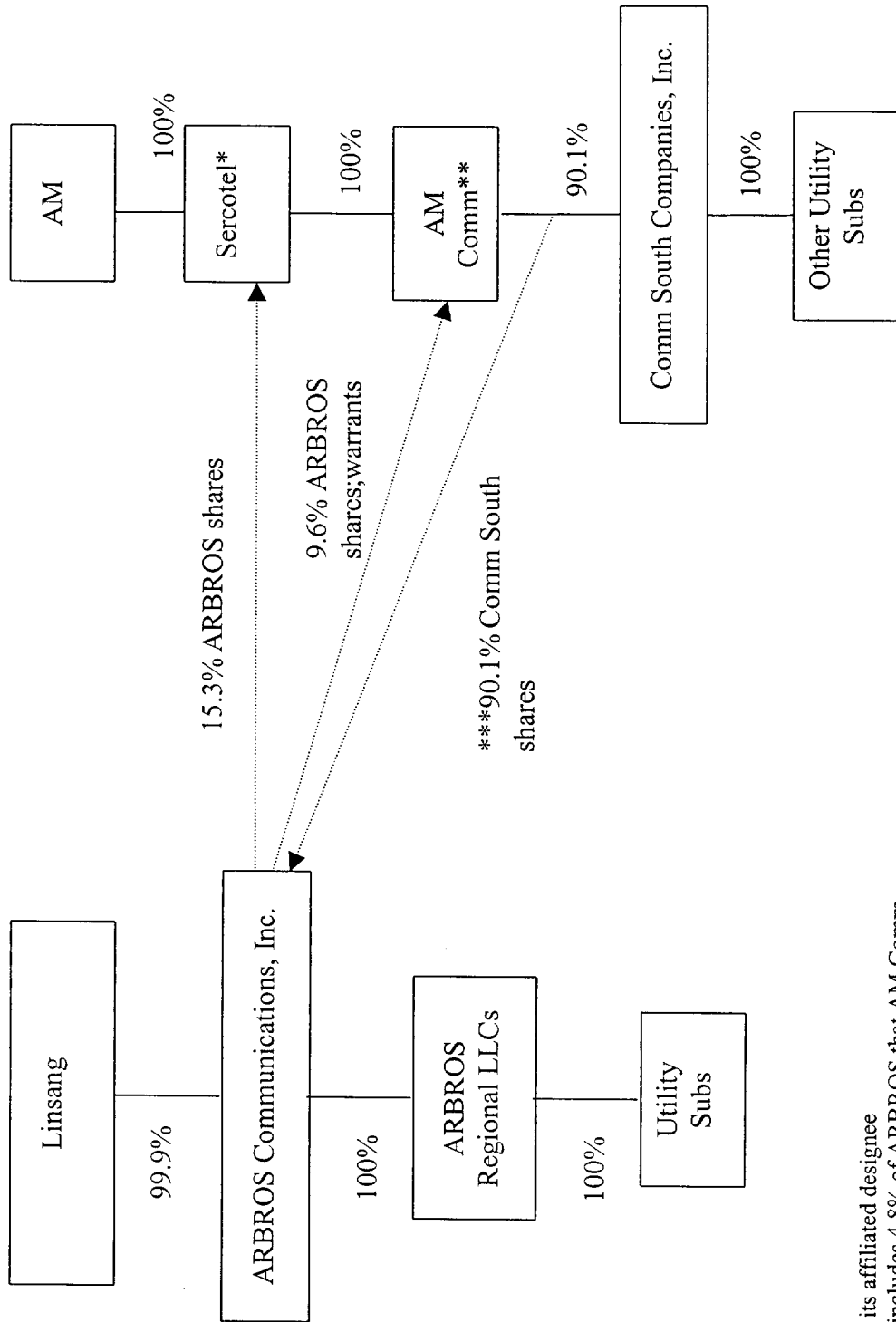


**COMM SOUTH RESTRUCTURING (PRO FORMA)**  
(Dashed line indicates transaction)



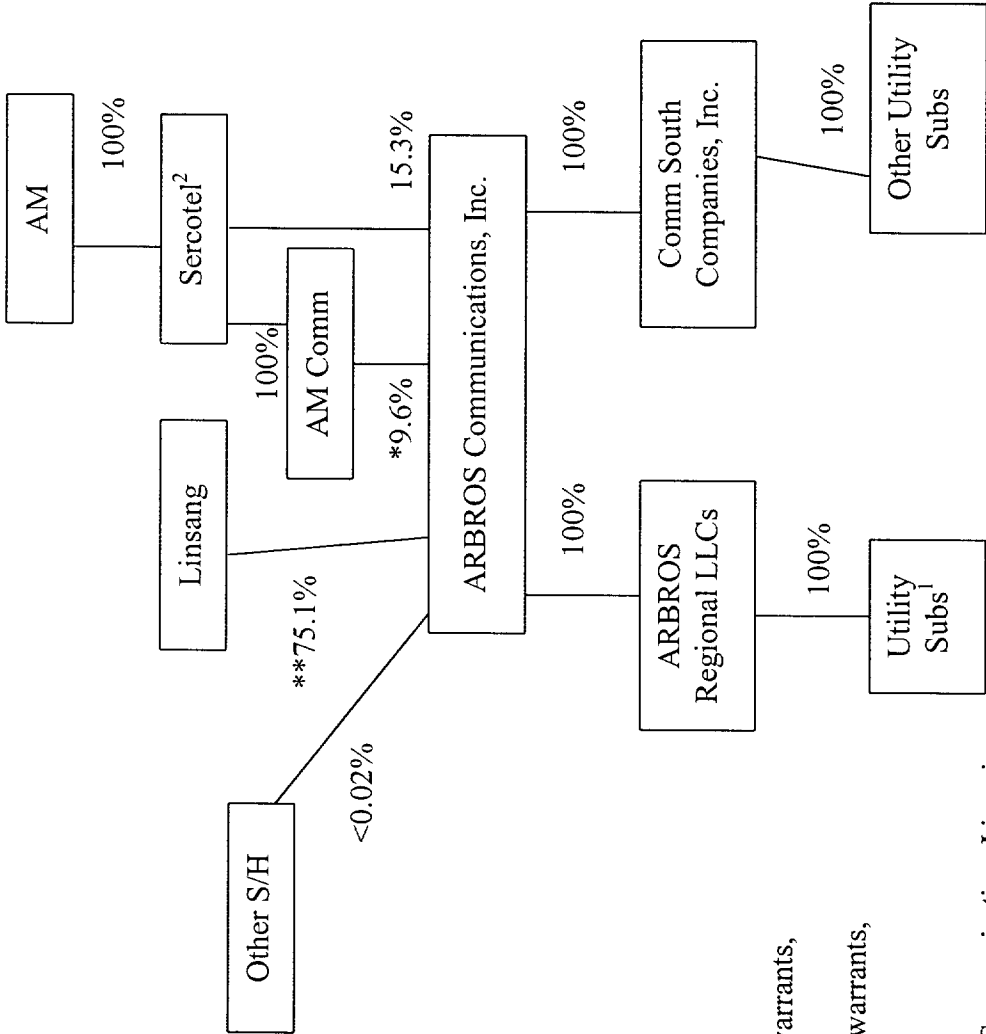
\*ARBROS is acquiring this 9.9% interest prior to the closing of the transfer of control (see p. 5)

**ARBROS ACQUISITION OF COMM SOUTH**  
(Dashed line indicates transactions)



\*Sercotel, or its affiliated designee  
\*\*The 9.6% includes 4.8% of ARBROS that AM Comm previously acquired (see p. 5)  
\*\*\*ARBROS previously acquired 9.9% of Comm South stock (see p. 5)

POST-TRANSACTION CONFIGURATION



\*Upon exercise of the warrants, up to 29.6%  
\*\*Upon exercise of the warrants, down to 55%.

1. Including ARBROS Communications Licensing Company S.E., LLC  
2. Sercotel, or its affiliated designee.

# **EXHIBIT 2**

## **ARBROS COMMUNICATIONS, INC. SHARE OWNERSHIP**

# ARBROS COMMUNICATIONS, INC. SHARE OWNERSHIP

	<u>Linsang</u>	<u>AM + Subs</u>		<u>Other S/H</u>	
	<b>Common</b>	<b>Common</b>	<b>Warrants</b>	<b>Common</b>	<b>Options</b>
Currently Outstanding.....	52,343,148	--	--	17,100	19,176,300
Investment by Sercotel .....	--	13,404,826	--	--	--
Investment by Linsang .....	13,404,826	--	--	--	--
Acquisition of CommSouth	--	8,373,107	31,963,232	--	--
Total .....	65,747,974	21,777,933	31,963,232	17,100	19,176,300

# **EXHIBIT 3**

## **MANAGEMENT BIOS ARBROS COMMUNICATIONS, INC.**

### **Jonathan S. Flicker, CEO, President, and Director**

Mr. Flicker has more than 14 years of experience in executive-level management, primarily in the areas of strategic planning, corporate finance, operations, marketing and analysis. Before joining ARBROS Communications, Mr. Flicker was the Chief Operating Officer of CrossMedia Networks Incorporated, a service organization that enabled voice-mail retrieval via standard telecommunications devices. In addition to having held management positions at Time Warner Inc., and National Geographic Society, Mr. Flicker was Vice President of Marketing Services at Time Life, Inc. where he managed the nationwide telemarketing group as well as the marketing operations functions for the Books, Video, Music and Children's product lines. He also worked for the Bertelsmann Music Group, initially as senior director of New Business Development for the Direct Marketing Division and later as Vice President of Customer Service and Operations. Mr. Flicker started his career at Morgan Stanley. He holds a BS in Cognitive Science and an MS in Quantitative Analysis from the University of Kansas.

### **Sandra Hallameyer, Senior Vice President, Administration**

Ms. Hallameyer has more than 30 years of experience in directing administrative functions, specializing in the management of human resources and labor, information systems, facilities and operations in a variety of businesses and industries. Prior to joining ARBROS, she served as Senior Vice President of Administration for the National Geographic Society, providing operational overview and strategic direction for its administrative, membership and internal audit functions. From 1969 to 1980, Ms. Hallameyer held positions in change management, human relations and training in the insurance and health care industries before joining The Sun newspaper in Baltimore, Maryland, where she served as Director of Human Resources and later as Vice President of Operations. Ms. Hallameyer holds a bachelor's degree in Psychology from North Texas University and a Masters in Business degree from Stanford University.

### **Don Helms, Senior Vice President, Operations**

Mr. Helms has over 30 years of telecommunications experience in a variety of senior and executive level positions with AT&T and Teleport Communications Group (TCG). Prior to joining ARBROS, Mr. Helms served as Vice President of the Network Management Center (NMC) for AT&T Local Services, with responsibility for nationwide customer trouble resolution. Under his leadership, the NMC expanded in size and functionality to meet the growth in services and commitments to new AT&T product offerings. Previously, Mr. Helms served as Regional Vice President of Local Service Operations for AT&T's (formerly TCG) Eastern Region, where he enhanced the operations capability and service performance for the eastern half of the United States. Prior to this, Mr. Helms served as Vice President of Corporate Process where he was charged with defining processes that would achieve the highest level of performance efficiency and Vice President of Engineering with responsibilities including transmission and switching equipment, network planning, network design and infrastructure deployment. Mr. Helms spent the first 16 years of his career with AT&T where he served in

several positions of increasing responsibility in the areas of operations, service management and engineering.

**Dr. I-Hung Li, Senior VP, Technology, CTO**

Dr. Li has more than 20 years of communications experience. Before joining ARBROS, he was the Senior Vice President at Paragon Solutions, responsible for the strategic direction and product delivery of its R&D organization. Dr. Li first worked as a software engineer for Bendix Corporation, where he developed a wideband data network for the Voyager project led by the California Institute of Technology Jet Propulsion Laboratory. In 1980 he joined Lucent Technologies (formerly AT&T Bell Labs), holding increasingly responsible roles as software engineer, project leader, project manager, system architect technical manager and senior technical manager throughout his 18 years there. In 1994 he spearheaded the customer technical support effort for the Japan Wireless PHS Project and later for the Asian Pacific countries. A featured speaker at numerous events, including the annual International Conference on Advanced Science and Technology, Dr. Li holds a PhD in Mathematics from Johns Hopkins University.

**Russell B. Stevenson, Jr., Executive Vice President and General Counsel**

Mr. Stevenson has been engaged in business law for 30 years, as a teacher, regulator, private practitioner and in-house counsel. Before joining ARBROS, Mr. Stevenson served as General Counsel for CyberCash, Inc., a leading provider of software and services for electronic commerce. From 1971 to 1981, he was a professor of law at George Washington University, a visiting professor at Cornell Law School, and a Fulbright Professor at the University of Paris II (Sorbonne). In 1981, Mr. Stevenson joined the staff of the Securities and Exchange Commission, serving there as Deputy General Counsel. He returned to private practice in Washington, D.C., in 1984. Mr. Stevenson holds a degree in Mechanical Engineering from Cornell University and received his JD, cum laude, from Harvard Law School. He is a member of the bars of the District of Columbia and the United States Supreme Court.

**J. Dirk VerMeulen Jr., Senior Vice President, Sales and Corporate Development**

Mr. VerMeulen brings nearly a decade of domestic and international telecommunications industry experience to his role of overseeing strategic planning, marketing and sales at ARBROS. Before joining ARBROS, Mr. VerMeulen served as General Manager of Consumer Sales for Ameritech New Media, a leading provider of cable TV services in the Midwest. Also during his tenure at Ameritech, he was a General Manager of Sales within Ameritech International working in Belgium with Belgacom, the leading Belgian telecommunications company. Prior to his engagement in Europe, he served as Director of Sales, Indiana, for Ameritech's Enhanced Business Services division. In addition, Mr. VerMeulen held various positions within Ameritech, ROLM and Fujitsu. Mr. VerMeulen holds a BA in Business Administration from Hope College in Holland, Michigan.

### **Samuel Vogel, Senior Vice President, Marketing and External Affairs**

Mr. Vogel has 39 years of experience in the telecommunications industry in marketing, sales, regulatory, operations and engineering. Between March of 1999 and March 2000, he served as Chief Operating Officer and Vice President of Operations for ARBROS, responsible for all operations functions, including network engineering, planning and management, information systems, customer service, regulatory, sales and marketing. Mr. Vogel's 35-year career with New York Telephone, AT&T and NYNEX culminated in 1996 where, as Managing Director in their Business Markets Group, he developed new products and managed \$1.2 billion in calling services revenues. He went on to work for the Carrier Services Division of US ONE Communications; to consult for Bell Atlantic/NYNEX; and to oversee all CLEC operations functions for Metropolitan Telecommunications as its Executive Vice President of Operations, Sales and Marketing. Mr. Vogel holds a BS in Business Administration, cum laude, from the New York Institute of Technology.

### **Howard F. Zuckerman, Senior VP, Finance, CFO**

Mr. Zuckerman has over 25 years of experience in financial management (16 years of which are in the telecommunications industry), including senior level executive positions since 1992 with both domestic and international based operations. While his career has encompassed all the traditional areas of finance, including SEC filings, financial reporting, accounting and internal controls, financial planning, budgeting and treasury, he also has extensive experience in the purchase and sale of companies. He joins ARBROS from Bell Atlantic Corporation (now Verizon). His most recent assignment was as Executive Vice President and Chief Financial Officer and a director of Grupo Iusacell (NYSE), Mexico's second largest wireless telecommunications company (\$400 million annual revenues) where he developed and managed all financial functions, led transactions which raised \$1 billion in both equity and debt capital and maintained relationships with Wall Street and institutional investors. Prior to that assignment which began in late 1996, Mr. Zuckerman was Vice President of Finance and CFO of a then newly created division of Bell Atlantic's Network Services Group responsible for its interconnection/access business with 175 inter-exchange carriers. From 1984 to 1993, he held various corporate and divisional level positions with the non-regulated entities managed as the Bell Atlantic Enterprises Group, many of which were startups or acquired companies. From 1975 to early 1984, Mr. Zuckerman was with Squibb Corporation, where he was appointed by the Board as an Assistant Corporate Controller in 1982. From 1970 to 1975, Mr. Zuckerman was employed by the audit division of the New York office of Arthur Andersen & Co. He is a Certified Public Accountant in New York (1971) and New Jersey and holds an economics degree from Cornell University and a M.B.A. degree from the University of Chicago.